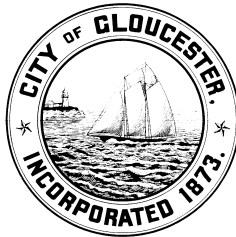


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Summary of Themes

DPA's create barriers to public access to the waterfront. In Chelsea, despite being bordered on three sides by water, there are few parks or access points for residents or visitors to the shoreline. The City Manager remembers growing up in Chelsea unaware he had a waterfront.

In many communities, there has been a severe lack of demand for the uses that the regulations allow. Chelsea has seen significant growth in other areas of its city in the last 15 years, but could count on one hand the inquiries regarding DPA properties. Fall River can site only one positive private industry investment in the DPA, adding that its 7.1 acre state pier is employing only three people and sits 80% vacant. A 70 acre prime development site in Fall River sits vacant adjacent to a residential neighborhood because mixed use would not be allowed. This is a financial burden to the community.

Small land parcels in the DPA's can be incompatible with the needs of the heavy industrial uses allowed by the regulations. Fall River has a lack of upland needed for these uses. Salem echoes this, and also lacks the shoreside road network that would be needed.

Property revenue does not support realistic and necessary maintenance of waterfront wharves and infrastructure. State funding is only available for publicly-owned wharves. With the majority of its harbor property privately owned, Gloucester sees many deteriorating wharves as the return on investment has not supported development costs.

DPA regulations require industrial uses that return significantly lower jobs per acre and tax return per acre than market forces would return for waterfront land. DPA land in Chelsea returns \$9,029 and 1 job/acre, while nonDPA land returns \$28,000 and 50 jobs/acre.

Gloucester has been seeing investment in mixed working uses, citing the example of its privately-developed Cruiseport, providing fishing vessel dockage, a marine terminal for cruiseships with its own homeland security clearance, and hosting weddings and a restaurant. Another mixed use is its maritime educational facility that also provided a launch site for underwater robotics, and another a fish distributor that is developing byproducts from the catch.

Communities have seen a lack of the concentrated economic development support from the State that was promised when the communities adopted the new State designation as a DPA. A community member from Gloucester stated a sense of being duped when advocating for the DPA twenty-five years previously.

Regulations are one-size fits all. This is unrealistic. Each port has its own niche and will require the analysis as to what that is, and what is required to make it happen.

Next Steps

Mayor Kirk of Gloucester will be appointing a Harbor and DPA Master Plan Committee, which will review the issues above, and set the agenda for what the City needs to effectively promote the development of its working port.

The City encourages the State to examine its economic development goals for the Working Ports and to identify the supports that are required to maintain and grow its prominence in both traditional and emerging ocean industries.

Gloucester applauds the recently formed Ports Compact, in which the ports of Boston, Gloucester, New Bedford, Fall River and Salem have signed a Memorandum of Understanding with the State's Department of Transportation to conduct an audit of port assets. A inventory of assets is an important first step. The transportation services of ports is one of the important functions and economies of the state.

The Commonwealth also holds title to a \$1.4 billion marine science and technology industry that is supporting new federal priorities under the President's 2010 Oceans Act. Along with California, the Commonwealth is a center of national maritime excellence. Ensuring the readiness of the Massachusetts working ports to support this growth must be a priority.

Notes**DPA panel discussion****Meeting hosted on June 26, 2012****Panel Participants:**

Jay Ash, City Manager from Chelsea MA
Ken Fiola, Executive Director, Fall River Economic Development
Carolyn Kirk, Mayor of Gloucester
Scott Lang, former Mayor of New Bedford
Kim Driscoll, Mayor of Salem

Audience: approximately 45 persons.

Mayor Kirk: Welcome remarks. Explanation that the format will be a presentation from each panelist that gives an overview of the DPA in their particular community, followed by discussion. Mayor Kirk introduces the panelists.

Mayor Driscoll asks for general introduction from the audience – who's here?

Mayor Kirk, surveying the audience, says Gloucester property owners, business and industry representatives, members of Gloucester's boards and committees involved in the waterfront, interested citizens from Gloucester and elsewhere, representatives from state agencies – DEP, CZM, SAC.

Chelsea:

City Manager Jay Ash gives the first presentation as follows, accompanied by slides.

I am not a fan of the DPA. It has made tough connections to the water for Chelsea despite proximity to waterfront. I grew up in Chelsea, but had no access to the water. Poor connection between city and the water. No green spaces along Chelsea's waterfront, yet Chelsea is surrounded on three sides by water. Boundaries include Chelsea River, Tobin Bridge.

Chelsea's waterfront consists of very small parcels locked in by roadways, so there has been little opportunity for large scale investment that is required for water industrial uses.

The DPA is returning low taxes and low number jobs per acre. NonDPA land produces \$28,000/acre and 50 jobs/acre versus \$9,029/acre and 1 job/acre in the DPA. We have had 13% growth in housing outside the DPA. Maintaining the DPA frustrates growth. During my 15 years working in Chelsea - less than one handful of interest for DPA, and only one investment in DPA in past years and that was to expand a salt storage area.

The DPA has placed burdens on our community: no access to the water, financial penalty, not creating needed jobs, no uses found, and finally, environmental issues. Chelsea sees bright future, but not with DPA uses. The future is residential, business parks, marinas, not DPA.

Fall River:

Director Ken Fiola gives the second presentation as follows, accompanied by slides.

The DPA has provided a disincentive to investment and hindered city's ability to develop its waterfront. We have 4 DPA s within the city. One was a former Hess Oil site. The property owners wished to construct LNG terminal. The site is next to a heavily residential area. Because of DPA, it was battle costing the city \$5 million to deny.

The Somerset area is across the river. Again future parcel problems with incompatible uses.

A 3rd DPA is located at the bottom of a historic Olmstead Park. Honestly in Fall River, we don't pay attention to the DPA. The State pier DPA includes the berth of the USS Massachusetts that is a tourism site. This is not supposed to be allowed. It's not an eligible DPA use. Blind eye turned. One site is industrial and appropriate. Recruited TPI, a manufacturer of wind blades. But a historic carousel and other tourism uses are juxtaposed.

The State pier is 7.1 acres. It provides only 3 full time jobs. It was developed for the break bulk cargo market which is highly competitive and of variable demand. The pier has very low activity. I estimate that of the 96,000 sf, 85,000 sf is vacant.

A Ferry is coming. We find throughout most of the DPA, there is no upland sufficient for more intense uses.

The Weavers Cove DPA is 70 acres. It's a very valuable potential development area. It abuts a residential area. Want to see mixed use open space, residential, commercial, and a marina, but these are not supposed to be permitted under the DPA regulations.

We view these as very constricting regulations. As incentive for communities to accept these areas, cities were supposed to get economic support. This did not happen. We've talked about de-designation. Very complicated and convoluted

Gloucester:

Mayor Carolyn Kirk gives the third presentation as follows, accompanied by slides.

The city of Gloucester has 62 miles of coastline. The DPA is a small fraction of its coast, and is located in the inner harbor. 87 acres are in the DPA; 71% industrial, 12% commercial. Most properties are privately owned, which has inhibited the city's ability to bring in public funding.

The DPA is underutilized - we find especially waterside uses. We need new uses with higher number of jobs per acre as a good measuring tool. For example, creating gateway for marine science and technology cluster. This is an emerging sector that we are trying to facilitate.

Challenges: deteriorating wharves, reduced fish landings. Property revenue does not support maintenance.

Where we are seeing investments: in the byproducts of fishery, in ocean research. The nonprofit organization Maritime Gloucester now offers education programs for all 3rd through 5th graders in the city. It also provides a launch point where researchers have deployed underwater robotics. We've seen investment in visitor-based development such as the Brew Pub, and in a grandfathered restaurant that has expanded to outdoor dining on the wharf. We want diverse side by side uses.

Mixed use at Cruiseport is an example. It is one of only three privately developed and owned cruiseship terminals. 13 fishing vessels dock here and at their sister property, plus it's a marine terminal for cruiseships with it's own homeland security clearance, and it hosts weddings and a restaurant.

Our goal is to expand DPA uses. We don't want the residential within the DPA, but how do we get more jobs per acre. We want broader definitions of uses.

Salem:

Mayor Kim Driscoll gives the fourth presentation as follows, accompanied by slides.

Salem has only one DPA - the Salem harbor station - 62 acres. The power plant is closing soon. The site is adjacent to residential area, and somewhat of a burden to these neighborhoods. It is currently owned by Dominion Energy. The plant is expected to shut down in June, 2014. They have been a significant tax payer in the community, now down to \$4.75 million in taxes.

Ferries are being attracted at adjacent property. 100,000 people taking Boston ferry.

We understand the need for DPAs to protect access to vital waterways, supported by federal dredging funding etc. The regulations are too rigid. A Municipal harbor plan is necessary for managing DPA. You can amend the regulations, but it's really, really hard.

How do we get modernization recognizing new uses? The Dominion Energy site has an amazing pier underutilized for years. We would like to see that in use, and also in compliance with Chapter 91 requirements for public access.

Knowing that the power plant was closing, we developed a master plan for future potential use of the site. Our city has lousy infrastructure for industrial water uses. Roads were built for horse and buggy and the harbor is far from route 128. Therefore we focused on uses that would rely on sea-based access. Minimize land-based access. What are these uses: cruiseships, ferries, open space. We may have interest from a natural gas company to build a peak supply facility on a limited portion of the site. People want access thru the area. Will have to look at trade offs to amend DPA. Environmental justice is an issue for older cities.

New Bedford:

Former Mayor Scott Lang, speaking as an informed citizen and not as a city official, gives the fourth presentation as follows.

Overview of what we tried to do in New Bedford. From 2006-2012 I was Mayor. Push to change antiquated laws: if it's not working, let's not do it that way.

First came to new Bedford in 1973, then in law practice there since 1978. I received a thorough education in the workings of the seaport through representation of people who work on the waterfront.

Themes:

1. Bring common sense to regs from local perspective.
2. Value of waterfront community. Brings economic advantages. Connection to marine highway.

New Bedford built along the Acushnet River. Leads up from the sea to the estuaries of southeastern MA. River used to have Fairhaven Mills. Blighted for years. First thing you saw coming into New Bedford. Was proposal to site a home depot right up against the Acushnet River. Could be moved away from the river. There was room on the site. This was eventually successful, and now has river walk, rowing places etc.

Every inch of your water sheet is important and valuable. Figure out to maximize its benefit for your city. How do we produce jobs and tax base, and still be true to the working waterfront.

Examples: 40 acre site of a former power plant across from downtown closed for 15 years. Potential casino site. Need to overturn Indian preference.

What is our modern purpose for deepwater sites? Most of the property in New Bedford's DPA is controlled by the Harbor Development Commission. Leased to marine industrial, must maintain infrastructure even though the feds are putting it out of business.

Uses: fishing, research and education around ocean, short sea shipping. Need shore (not land based) cranes. Cruise lines. Recreational and yachting.

Look at your water sheet plan, and then do your land based plan from that.

We hadn't had hotel since 1955. We needed a hotel. We found a location complementary to the DPA. Would be otherwise blighted and unproductive.

Don't be anchored to the past. The mills in Fall River are an example. We can't be a monument to the past.

Questions from the Audience:

Q: Altenburger: What hasn't happened in Glouc that would encourage investment.

A: Mayor Lang. I remember when former Mayor Bell and I attended a design charrette for our cities. His focus was the need to connect Main Street to the waterfront. No loss of focus. Spirit to move forward. Also tough economy.

Q: Cummings: What are length of leases and tax revenue in New Bedford? Why does the DPA work better than in Fall River?

A: Mayor Lang. Seafood is the driver. Marine related industry employs 4000 people in general area. Land was acquired during urban renewal. Leased back to seafood processors. No longer have to be pier side to process fish. Offer from processors to buy their property from the city. He said no way. Casinoitis. Blessing to own it.

A: Mayor Kirk talks about the State's new Ports Compact, in which the compatibility between port assets will be explored, establishing cooperation rather than competition between the ports.

Q: Bell: Government versus free enterprise. Forty years after Urban Renewal, I4C2 is still a vacant parcel. I worked on bringing DPA to Gloucester in 1980s. Kirk Noyes and I went around with a petition for people to support it. We were sold a bill of goods. The DPA came with the gas and oil lobbies. Not fish. 800 lb gorilla - oil and gas.

A: Jay Ash: You have got to know what you're going to be at the end of the day. We did an urban renewal district in Chelsea- it was successful. Need to know what your strengths are. We don't compete for hi-tech. We are a transportation hub. Sector strategy. The biotech investment we got was accidental. It's lightning, not a trend. Ask yourself the question, if we build it, will they come? Gloucester isn't going to be a high tech center. Figure out what's realistic for you.

A: Ken Fiola. I understand where you're coming from. It was bait and switch. And it is driven by the oil and energy plants. We've missed opportunities. The reality is not all working waterfronts are equal. State has adopted a one-size fits all. It's restricted cities' abilities to shape their future. Need not to be tied to history.

A: Mayor Lang: Urban renewal was a disaster in New Bedford. We cut off the city from the waterfront. Why have we missed the boat? Because we've looked backward instead of forward. Cities die if you don't move forward.

Mayor Kirk: closing

I love to be in this educational facility and thank Endicott College for hosting us today. It lets us think deep thoughts and dream big dreams. I thank the panel for taking their very valuable time to share with us.

Informal minutes - taken by Sarah Garcia